

Under the provisions of Section 413.031 of the Texas Workers' Compensation Act, Title 5, Subtitle A of the Texas Labor Code, effective June 17, 2001 and Commission Rule 133.305, titled Medical Dispute Resolution-General, and 133.307, titled Medical Dispute Resolution of a Medical Fee Dispute, a review was conducted by the Medical Review Division regarding a medical fee dispute between the requestor and the respondent named above.

### **I. DISPUTE**

1. a. Whether there should be additional reimbursement for 01/26/01?
- b. The request was received on 01/09/02.

### **II. EXHIBITS**

1. Requestor, Exhibit 1:
  - a. TWCC 60 and Letter Requesting Dispute Resolution 01/03/02
  - b. UB-92 HCFA 1450s
  - c. EOB
  - d. EOBs from other carriers
  - e. Medical Records
  - f. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
2. Respondent, Exhibit 2:
  - a. TWCC 60 and/or Response to a Request for Dispute Resolution dated 03/26/02
  - b. HCFA's
  - c. Audit summaries/EOB
  - d. Medical Records
  - e. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
3. Per Rule 133.307 (g) (4) or (5), the carrier representative signed for the copy on 03/26/02. The response from the insurance carrier was received in the Division on 03/27/02. Therefore, the insurance carrier's response is timely.
4. Notice of Medical Dispute is reflected as Exhibit #3 of the Commission's case file.

### **III. PARTIES' POSITIONS**

1. Requestor: The requestor representative states in the correspondence that...

“The only point that should not be in dispute here is that there are no statutory fee guidelines of any kind to pigeon hole the Provider’s ambulatory surgery charges into, and that being the case, the criteria is what is fair and reasonable as set out in 413.011 (b). What the Requestor disputes is that the amount paid here is so far removed from fair and reasonable that it does not [sic] pass muster under any objective standard.” The provider is seeking reimbursement in the amount of \$6,342.60 for the date of service 01/26/01.

2. Respondent:

“This dispute is submitted as a fee reimbursement dispute. Carrier disputes entitlement to reimbursement because the services provided were not preauthorized. Carrier’s auditor originally received the billing on February 20, 2001 (pg.3). These charges were audited and denied for lack of preauthorization on February 22, 2001 (pp 4-5).” The carrier denies reimbursement as A-“Preauthorization required but not obtained.”

#### IV. FINDINGS

1. Based on Commission Rule 133.307(d) (1) (2), the only date 01/26/01.
2. The Provider billed the Carrier \$18,456.00 for the date of service 01/26/01.
3. The Carrier reimbursed the Provider \$2,236.00 for the date of service 01/26/01.
4. The amount in dispute is \$6,342.60 for the date of service 01/26/01.

#### V. RATIONALE

Medical Review Division's rationale:

The Carrier’s EOB in the dispute packet denied the charges as A-“PREAUTHORIZATION REQUIRED BUT NOT OBTAINED.” On the original and duplicate EOBs, the denial code of “A” is reflected. The Provider faxed a letter stating they had received a payment of \$2,236.00 and “...this payment was made after I had submitted the file to TWCC MDR, and the payment is not a fair and reasonable payment.” Even though the Carrier has reimbursed the Provider some of the disputed fee, the TWCC require pre-authorization. It is still the Provider’s responsibility to obtain pre-authorization according to TWCC Rule 134.600 (h)(2) “...outpatient surgical or ambulatory surgical services, as defined in subsection (a).” The provider’s dispute packet does not contain any record of obtaining pre-authorization. Therefore, additional reimbursement **is not** recommended.

MDR Tracking Number: M4-02-1574-01

The above Findings and Decision are hereby issued this 19th day of April, 2002.

Michael Bucklin, LVN  
Medical Dispute Resolution Officer  
Medical Review Division

MB/mb

This document is signed under the authority delegated to me by Richard Reynolds, Executive Director, pursuant to the Texas Workers' Compensation Act, Texas Labor Code Sections 402.041 - 402.042 and re-delegated by Virginia May, Deputy Executive Director.